

ARMY RDT&E BUDGET ITEM JUSTIFICATION (R-2 Exhibit)						February 2002			
BUDGET ACTIVITY 7 - Operational system development			PE NUMBER AND TITLE 0203801A - Missile/Air Defense Product Improvement Program						
COST (In Thousands)	FY 2001 Actual	FY 2002 Estimate	FY 2003 Estimate	FY 2004 Estimate	FY 2005 Estimate	FY 2006 Estimate	FY 2007 Estimate	Cost to Complete	Total Cost
Total Program Element (PE) Cost	13892	13727	43738	45266	32630	17100	11124	0	200576
036 PATRIOT PROD IMP PGM	6440	9758	43713	45244	32607	17100	11124	0	182281
038 AVENGER PIP	2000	0	0	0	0	0	0	0	0
303 STINGER RMP PIP	5452	3969	25	22	23	0	0	0	18295

A. Mission Description and Budget Item Justification: The goal of the Air Defense Artillery (ADA) modernization is to provide well-trained soldiers with the most capable systems at the right time to defeat the evolving threat. The ADA systems support the Air and Missile Defense (AMD) force which assists the Army and the Joint Force in gaining Full Spectrum Dominance in any operational requirement. ADA must continually be upgraded and modernized to meet all challenges, from small scale contingencies to major theater wars (MTW). The FY03 budget funds critical improvements to the Patriot program.

	FY 2001	FY 2002	FY 2003
B. Program Change Summary			
Previous President's Budget (FY2002 PB)	12248	8539	10043
Appropriated Value	12365	13839	0
Adjustments to Appropriated Value	0	0	0
a. Congressional General Reductions	0	-112	0
b. SBIR / STTR	-359	0	0
c. Omnibus or Other Above Threshold Reductions	0	0	0
d. Below Threshold Reprogramming	2000	0	0
e. Rescissions	-114	0	0
Adjustments to Budget Years Since FY2002 PB	0	0	33695
Current Budget Submit (FY 2003 PB)	13892	13727	43738

ARMY RDT&E BUDGET ITEM JUSTIFICATION (R-2A Exhibit)		February 2002
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<p><u>FY 2002 Planned Program</u></p> <ul style="list-style-type: none"> • 4458 Continue Post PDB 5 • 5300 Recap <p>Total 9758</p> <p><u>FY 2003 Planned Program</u></p> <ul style="list-style-type: none"> • 6713 Continue Post PDB 5 • 27750 Recap • 4250 Special Program (PIP) • 5000 SIAP <p>Total 43713</p>		

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February 2002

BUDGET ACTIVITY

7 - Operational system development

PE NUMBER AND TITLE

0203801A - Missile/Air Defense Product
Improvement Program

PROJECT

036

B. Other Program Funding Summary

	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Compl	Total Cost
Budget Activity 3 - Patriot Mod (C50700)	22718	24942	151307	234600	90198	79431	81634	340100	1074560
Budget Activity 3 - Patriot Mod Initial Spares CA0267	2625	726	40655	32692	15206	15622	9811	23337	144291

C. Acquisition Strategy: The design objective of the Patriot system was to provide a baseline system capable of modification to cope with the evolving threat. This alternative minimizes technological risks and provides a means of enhancing system capability through planned upgrades of deployed systems. The Patriot program consists of two interrelated acquisition programs - the Patriot growth program and the PAC-3 missile program. Growth program modifications are grouped into configurations, which are scheduled to be fielded in the same timeframe. Configuration groupings are convenient for managing block changes of hardware and software and are not a performance-related grouping. However, incremental increases in performance will be determined for each configuration in order to provide benchmarks for configuration testing and for the development of user doctrine and tactics.

D. Schedule Profile

	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Post PDB-5 Software Improvements Initiated	1Q						
RLCEU Link 16 Phase I Program Initiated	1Q						
RLCEU Link 16 Phase I Program Continuation	1-4Q						
PAC-3 Missile FUE	4Q						
PAC-3 Missile MS III		4Q					
PAC-3 Missile FOT			1-4Q	1-4Q			
PAC-3 Missile FRP			1Q				
PAC-3 Missile IOC					4Q		

ARMY RDT&E COST ANALYSIS(R-3)									February 2002			
BUDGET ACTIVITY 7 - Operational system development					PE NUMBER AND TITLE 0203801A - Missile/Air Defense Product Improvement Program					PROJECT 036		
I. Product Development	Contract Method & Type	Performing Activity & Location	Total PYs Cost	FY 2001 Cost	FY 2001 Award Date	FY 2002 Cost	FY 2002 Award Date	FY 2003 Cost	FY 2003 Award Date	Cost To Complete	Total Cost	Target Value of Contract
a . RLCEU Link 16 Phase I			0	1226		0		0		0	1226	0
b . Post PDB 5			0	1607		1174		1636		Continue	4417	Continue
c . Recap			0	0		5300	2Q	27750	2Q	0	33050	0
d . Special Program (PIP)			0	0		0		4250	2Q	0	4250	0
e . SIAP			0	0		0		5000	3Q	0	5000	0
Subtotal:			0	2833		6474		38636		Continue	47943	Continue
II. Support Cost	Contract Method & Type	Performing Activity & Location	Total PYs Cost	FY 2001 Cost	FY 2001 Award Date	FY 2002 Cost	FY 2002 Award Date	FY 2003 Cost	FY 2003 Award Date	Cost To Complete	Total Cost	Target Value of Contract
a . In-House Support		RSA/AL	13303	858		800		700		Continue	Continue	Continue
b . Matrix Support		RSA/AL	2043	700		604		509		Continue	Continue	Continue
Subtotal:			15346	1558		1404		1209		Continue	Continue	Continue

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III. Test and Evaluation	Contract Method & Type	Performing Activity & Location	Total PYs Cost	FY 2001 Cost	FY 2001 Award Date	FY 2002 Cost	FY 2002 Award Date	FY 2003 Cost	FY 2003 Award Date	Cost To Complete	Total Cost	Target Value of Contract
a . Missile Command	1095	RSA/AL	12586	1449		1462		1400		Continue	16897	Continue
b . White Sands Missile Range	MIPR	WSMR/NM	11740	600		418		424		Continue	Continue	Continue
c . RDEC and Other Govt Agent	1095/MIPR	RSA/AL	95732	0		0		2044		0	97776	0
Subtotal:			120058	2049		1880		3868		Continue	Continue	Continue
IV. Management Services	Contract Method & Type	Performing Activity & Location	Total PYs Cost	FY 2001 Cost	FY 2001 Award Date	FY 2002 Cost	FY 2002 Award Date	FY 2003 Cost	FY 2003 Award Date	Cost To Complete	Total Cost	Target Value of Contract
Subtotal:			0	0		0		0		0	0	0
Project Total Cost:			135404	6440		9758		43713		Continue	Continue	Continue